

## FINANCIAL ISSUES AND WORK/LIFE

*Budgeting and finances...* these are words that can cause many of us concern, and can cause stress in the household. Living within our means may help to bring some financial peace and contentment to our lives. Proper money management is much more necessary in today's "plastic cashless society" to help alleviate avoidable stress.

The basis of staying out of debt is living within your means. What that means is being careful with the use of your finances and being aware of total household income versus total mandatory household expenses such as mortgage, various insurances, educational expenses, rent, etc.

Working overtime in a correctional facility is very common. A problem may arise when officers and their families begin to **rely** on overtime pay. Overtime income should be considered as extra income and not to be counted on for essential living expenses.

Following are some tips for living within our means:

1. Establish long term financial goals for yourself and your family to help keep your present financial picture in perspective. Keeping your long-term goals in mind will keep you on track and help you stay within your budget.
2. By being aware of your total incoming and outgoing monies you can determine what is left monthly for non-essentials and/or flexible expenditures such as; social events, clothing, and eating out. By making a concerted effort to cut down a little bit everywhere, you will be on your way to *financial success*.
3. Set up a budget. Before you can make any decisions pertaining to your finances you have to know what your income is, how much you spend each month, and what you spend your money on. Also, you need to gather information about your personal financial situation. Begin by:
  - List every expenditure you have over the course of a year. Be sure to take into account any unexpected expenses.
  - Review and update your budget monthly. Unforeseen events do occur

(for example your car or a major appliance breaks down, the basement floods and your roof caves in). Setting a budget can also help you live within your means and to make wise spending choices. Once you see where your money is actually going, you will be better able to make decisions and set priorities.

4. Acquire spending habits that are beneficial to you. Keep your checkbook balanced and up to date. In the first month write down everything you spend (this helps you see where all the money is going). One recommendation is to use cash whenever possible rather than a credit/debit card or checkbook. Carrying cash is not as convenient but it will keep your expenses under control. By limiting the amount of money you carry you won't feel as tempted to spend it. Another recommendation is to use your credit card sparingly and for emergency use only such as a car repair. All other purchases should be made in cash.
5. Give yourself an allowance by setting up a small discretionary fund and use this fund on whatever you want to.
6. Keep in mind when working overtime the additional income should be considered as unpredictable and not guaranteed.
7. A good attitude is key to managing your finances.
8. Finding a balance of living within your means is essential to financial success.

The more knowledgeable you are about your budget, the more apt you are to live within your means, and the likely you are to achieve your goals and dreams.

Focusing on all the above tips is very important, but starting on one tip at a time may help you along the path to solving your debt problems and help you live within your means. All of which may make your life less stressed.

One resource to help you live within your means is **NuUnion Credit Union**. They offer a variety of services including; individual financial consultations, information and classes that may help you prioritize your financial goals and make the most of your hard-earned money. NuUnion can be reached by phone at 517.267.7200, or by email at [www.nuunion.org](http://www.nuunion.org)

For further information on finances please check out the Work/Life Web page, [www.michigan.gov/corrections](http://www.michigan.gov/corrections), click on “Human Resources”, then click on Work/Life Services.